FBIS DAILY REPORT

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AIR FORCE, NAVY COMMANDERS MEET 28 JUN

PY282017 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1700 GMT 28 Jun 82

[Excerpt] Buenos Aires, 28 Jun (NA) -- The air force and navy commanders in chief, Basilio Lami Dozo and Jorge Anaya, met here this morning, but the issues they discussed were not made known.

Anaya and Lami Dozo met at the Condor Building, and it was reported that after the meeting the navy commander in chief went to Rio Grande, Tierra del Fuego.

AIR FORCE TO WITHDRAW FROM GOVERNMENT UNITS

PY282325 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1620 GMT 28 Jun 82

[Text] Buenos Aires, 28 Jun (NA) -- The air force has decided to reassign to specific military functions those air force personnel who have been serving on the Legislative Advisory Committee (CAL) and in other government organizations.

This decision "is in keeping with the air force's withdrawal from the national reorganization process," an air force spokesman said.

The spokesman reported that air force personnel who have been assigned to duties at the congress or as delegates and liaison officers between the air force and the various ministries and secretariats will resume their military duties.

GOVERNMENT ACCEPTS UN RESOLUTION NO 502

PY281546 Buenos Aires CLARIN in Spanish 28 Jun 82 p 6

[Excerpt] The military junta conveyed in writing to the UN Security Council that it accepts Resolution No 502 of 3 April. According to reliable sources, this decision will permit the 1,000 Argentine officers held hostage by the British to return to the country in the next few days. This resolution demands the withdrawal of Argentine troops from the Malvinas, orders a cease-fire and arranges diplomatic negotiations to search for solutions. The sources added that this does not mean any renunciation of the Argentine claims of sovereignty or any acceptance of a return to the colonial status or its change by virtue of a unilateral decision imposed or approved by Great Britain.

Reliable sources confirmed that the Argentine officers held in the Malvinas will return in the next few days as indicated by foreign reports. The sources added that this is so because the military junta conveyed in writing its decision to fulfill the UN Security Council Resolution No 502 of 3 April.

In this regard, the sources indicated, a signed document was delivered to the United Nations.

Foreign Ministry Denial

PY281650 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1621 GMT 28 Jun 82

[Text] Buenos Aires, 28 Jun (NA) -- Hernan Mazzini, spokesman for the Foreign Ministry, has asserted that the Foreign Ministry is not aware that the former military junta has agreed to fulfill UN Security Council Resolution No 502, thus denying press reports in this regard.

The spokesman said that "the Foreign Ministry has not submitted and has no knowledge that any organization submitted such a document to the United Nations or that any commitment was made."

Mazzini told NOTICIAS ARGENTINAS that that report "is the responsibility and risk of those publishing it." He said he had nothing else to report but did not discard the possibility of an official report this afternoon.

According to the report, the former junta has allegedly agreed to fulfill that resolution with the purpose of facilitating the return of the Argentine officers held prisoners by the British.

SPOKESMAN SAYS REPORT ON UK PRISONERS INACCURATE

PY282319 Buenos Aires TELAM in Spanish 2248 GMT 28 Jun 82

[Text] Buenos Aires, 28 Jun (TELAM) -- The Foreign Ministry today stated that it was not aware of the presentation to the United Nations of a military junta note announcing acceptance of the cessation of hostilities in the South Atlantic in accordance with UN Security Council Resolution 502.

The statement was made by the Foreign Ministry official spokesman, who also termed inaccurate reports released in this capital claiming that the number of Argentine officers held prisoner by the British forces total 1,100.

NAVY COMMANDER ANAYA'S SON BRITISH 'HOSTAGE'

PY250455 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0014 GMT 25 Jun 82

[Text] Buenos Aires, 24 Jun (NA) -- Army 1st Lt Guillermo Anaya, son of the navy commander in chief, is among the several hundred prisoners that are being held by the British Government.

First Lieutenant Anaya was captured by the British forces together with other commanders, officers and soldiers on the Malvinas Islands. Once the appropriate steps for his return to continental Argentina were made, he was put on board a British ship along with other soldiers.

It has been reported, however, that this decision was rescinded by the British authorities when they found out that he was the son of the Argentine navy commander in chief and he has been taken off the ship to be held hostage.

MARTINEZ RAYMONDA PROPOSED AS VICE PRESIDENT

PY282214 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2150 GMT 28 Jun 82

[Text] Buenos Aires, 28 Jun (NA) -- Reports circulating this afternoon indicated that the navy and the air force would propose the appointment of a civilian vice president.

The subject was reportedly discussed at a meeting held this morning by Admiral Anaya and General Lami Dozo with Gen Cristino Nicolaides.

According to the report, the name proposed for the eventual vice president is Progressive Democratic Party leader Rafael Martinez Raymonda, former Argentine ambassador to Italy.

NEW FOREIGN MINISTER LANARI INTERVIEWED

PY282002 Buenos Aires Domestic Service in Spanish 1600 GMT 28 Jun 82

[Relay from Ezeiza International Airport]

[Text] Juan Ramon Aguirre Lanari, the recently appointed Argentine foreign minister and current ambassador to Venezuela, has just left for Caracas, Venezuela, to say goodbye to the authorities of that country to which he was accredited. A few minutes before leaving Ezeiza International Airport, he made these statements to the news service of Radio Nacional:

[Aguirre Lanari] Well, the reason for this trip is to fulfill an unavoidable duty, that is, say goodbye to the Venezuelan president and foreign minister as well as other authorities and the many dear friends I will leave in that sister nation. I am leaving right now and will hopefully be back on Wednesday morning.

[Question] Mr Aguirre Lanari, we believe that the task of the new foreign minister which you will carry out now will be very difficult, especially since Argentine diplomacy has reached a very high level. Will it be an important battle for Argentina in order to fulfill its objectives at present?

[Answer] Of course, the diplomatic task is always difficult because there are many factors involved, but it has become especially delicate due to the events which we have all experienced. Therefore, I request the support of all Argentine citizens, irregardless of their personal leanings and preferences because whoever conducts international relations at present, more than ever, needs the entire nation's support. He has to act as the lawyer of a national cause.

[Question] You have found great support in Venezuela, haven't you?

[Answer] Venezuelan support goes beyond all words; I really have not been able to find the appropriate words for Venezuelan support, as it has continued to increase. It was not only a national issue but something deeply moving, and as I have stated I could not find words to voice all the recognition which we owe that government, those political parties of the opposition and those people.

[Question] We do not want to discuss your future task, but I would like to know will the Argentine task aimed at fulfilling its basic objectives be outlined in all international forums?

[Answer] What did you say? I'm sorry, a person passing by distracted my attention.

[Question] I was wondering, Mr Aguirre Lanari, whether the task which Argentina and you, in your capacity as foreign minister, will carry out will be outlined in all international forums in order to fulfill its objectives?

[Answer] Of course, it must be an integral job and we must fight the battle in all (?spheres).

[Question] In what spirit will this task be carried out?

[Answer] Always with the spirit which corresponds to our traditions, our international policy and our interests.

[Question] Thank you very much.

NAVY OFFICER NEW MILITARY HOUSEHOLD CHIEF

PY250447 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2345 GMT 24 Jun 82

[Text] Buenos Aires, 24 Jun (NA) -- The current navy under secretary general, Rear Admiral Aroza, will be the new chief of the military household, reliable sources revealed today.

Admiral Aroza will take over next week, thus replacing Rear Adm Beniot Moya, on request from the president-designate, Gen Reynaldo Bignone.

DOMINGO CAVALLO TO BE FINANCE SECRETARY

PY282209 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1649 GMT 28 Jun 82

[Text] Buenos Aires, 28 Jun (NA) -- It transpired here today that Domingo Cavallo will be finance secretary to Jose Maria Dagnino Pastore, who will be the economy minister.

At the same time reliable sources reported that Conrado Bauer has accepted the position of public works minister.

Cavallo was a close aide of Gen Horacio Liendo when the latter held the post of interior minister, and Bauer was social welfare minister during the government of Juan Carlos Ongania.

Rumors circulating the last few hours indicate that Dagnino Pastore has accepted being economy minister on the condition that Bauer is appointed public works minister.

The designation of Domingo Cavallo as finance secretary came as unexpected news in the midst of rumors, since he had been mentioned as a prospect for the post of economy minister.

TWO PROVINCIAL GOVERNORS RESIGN 25 JUN

Santiago del Estero Governor

PY251838 Buenos Aires TELAM in Spanish 1615 GMT 25 Jun 82

[Text] Santiago del Estero, 25 Jun (TELAM) -- Provincial Governor Carlos A. Jensen reported upon his return from the federal capital that the objective of his trip was to submit his resignation from his post in order to simplify the political action of those who will take the leadership of the country in a few days.

He was questioned whether he had been in contact with General Bignone, and he answered that he did not even try to see him since the president-designate had a great many things to do.

He added that he talked with Lieutenant General Lami Dozo, "with whom I always talk because of our friendship."

Rio Negro Governor, Cabinet

PY250422 Buenos Aires TELAM in Spanish 0405 GMT 25 Jun 82

[Text] Viedma, 24 Jun (TELAM) -- The governor of Rio Negro Province, Rear Adm Julio Alberto Acuna (Ret), resigned today. This decision was conveyed to the Interior Ministry under the jurisdiction of the national executive branch, by means of a telegram in which the governor also reported that he was accepted the resignations of his cabinet members.

The message also states that the resignations will be effective on the date the new Rio Negro Governor takes over.

JUDGE ORDERS THREE BRITISH JOURNALISTS RELEASED

PY290105 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0056 GMT 29 Jun 82

[Text] Ushuaia, 28 Jun (NA) -- A federal judge here ordered the release of three British journalists who had been detained on charges of espionage. The judge tonight authorized them to leave Argentina.

The three British journalists left for Rio Grande a few minutes ago and from there they will go to the federal capital.

USSR GRAIN PURCHASES HEAT UP TRADE MARKET

PY281317 Paris AFP in Spanish 1859 GMT 18 Jun 82

[Text] Buenos Aires, 18 Jun (AFP) -- The USSR has acquired 1.4 million tons of grain in Buenos Aires, thus increasing the volume of grain purchases from Argentina about which there is great reservation on the part of private businessmen who harbor fears about the heating up of the market.

The Malvinas war has brought about a difficult situation for Argentina. Argentina relies exclusively on the sale of grain and beef to reduce its $35 billion debt and to face the payment of its service until the end of the year without difficulties, according to private businessmen.

The increase in Soviet purchases has contributed to an improvement of the balance of payments, but at the same time it has caused a sudden heating up of the Buenos Aires grain market.

Sources of the grain exporting sector said yesterday that no further purchases had been made from the USSR [as received], and that the contracts signed with the USSR thus far amounted to 800,000 tons.

However, official circles said that that volume had already been largely exceeded, and that since the Soviets resumed purchasing on the Argentine market, they have acquired 1.4 million tons of corn and sorghum.

Specialists said here that the difference in figures has to do with the reservations of private businessmen who are trying to prevent a further increase in grain quotations.

Yesterday, the price of corn and sorghum increased in the local market to above the USSR's purchasing price due to the new Soviet purchases. According to private sources, the price of corn reached $118 per ton and that of sorghum $94 per ton.

Exporters said that the USSR has used a combination of cash payments and credit to pay for the grains within a period of 180 and 270 days. They noted that approximately 50 percent of the purchases were paid in cash. The remainder will be paid through loans extended mainly by European banks, at the regular interest rate charged on the market.

Sources of the grain sector said that Argentina will continue to place its products on the Soviet market throughout the summer.

As for the increase in sales and the search for new markets, the sources said that sale agreements will be signed with Mexico next week for approximately 300,000 tons of grain, mainly sorghum.

Foreign Trade Under Secretary Alfredo Esposito yesterday received the trade advisers of Czechoslovakia and the GDR.

Official circles are closely following the Dutch request for a lifting of the sanctions imposed by the EEC on Argentine in support of Great Britain during the Malvinas crisis.

Jean Dominique Paolini, the French ambassador in Buenos Aires, announced yesterday that his country has already moved that the EEC lift the economic sanctions imposed on Argentina.

Instructions in this regard have already been given to the French representatives. The French diplomat believes that the sanctions will be lifted next Sunday.

FOREIGN TRADE OFFICIAL ON EXPORT PROSPECTS

PY281843 Buenos Aires International Service in English 1530 GMT 28 Jun 82

[Text] The Argentine secretary for foreign trade called for adjustments in the country's economic policy to encourage national exports.

On assessing the recent economic blockade on national exports, Jorge Caminotti said that relations with the EEC are still at a standstill because Argentina will not accept to be conditioned in its political policies.

The recent situation has shown, he said, that there are alternative markets and that Argentine products are competitive. The trade under secretary reported that Argentine exports this year would total around $9.8 billion dollars and that wheat and soybean stocks have all been sold. Caminotti added that in the case of corn and sorghum, the situation is good.

PROTECTIONIST POLICIES BLAMED FOR TRADE DECLINE

PY281828 Buenos Aires International Service in English 1530 GMT 28 Jun 82

[Text] According to a study carried out by the Buenos Aires stock exchange on the development of Argentine foreign trade during the last decade, Argentine exports to Europe fell to less than half.

Production [words indistinct] reports that from 1970 to 1973, 58 percent of the country's exports went to European countries, including the USSR, and that they had fallen to 27 percent in 1981. Protectionist and subsidy policies are quoted as a cause for such a decline. Protectionist policies, particularly of the European Common Market, have not only limited the marketing of Argentine farm products but have also created serious difficulties in alternative markets, says the report.

PRESS REPORTS 1982 FOREIGN TRADE FIGURES

PY290325 [Editorial Report] Argentine newspapers for the period 23-28 June contain the following items concerning Argentine foreign trade:

Buenos Aires LA NACION in Spanish on 23 June on page 5 carries a report on Argentine petroleum production and imports during the first 5 months of 1982. The figures are quoted from a report published by the Energy Secretariat. The report states: "In the first 5 months of 1982, petroleum production totaled 11,758,900 cubic meters as compared with 12,015,900 cubic meters during the same period of 1981. Imports of petroleum during the 5 months totaled 648,300 cubic meters (18.3 percent more than last year), causing a foreign currency expenditure of $137,971,200 (13.5 percent more than in the same period of 1981). Payments for imports of fuel and derivates totaled $320,751,600 for the first 5 months. Meanwhile, income through exports of petroleum derivates totaled $221,333,400 (5.2 percent less than in the first 5 months of 1981)."

The same paper in its 26 June edition, page 4, refers to a report released by the Mining Under Secretariat on the export of mineral products in April this year. LA NACION says: "During last April the exports of mineral ore, elaborated products and metals decreased by 48.6 percent in comparison with the month before and totaled $4,236,054." "On the other hand there was a 15.7-percent increase in the volume of those exports (35,902 tons) because of larger shipments of cement. This product had a larger share in April with 30,821 tons, worth $1,718,721, shipped to Paraguay and Chile. The most important export operation from an economic point of view during April was the shipping of 2,519 tons of zinc ingots bought by Italy for $1,902,308."

LA NACION on 28 June reports on page 4 that the center of grain exporters has published its yearly report for 1982. The report says that 1981 was a record year in grain production and export. LA NACION gives the round figures of 36 million tons for production and 23 million tons for exports. The figures include vegetable oils and byproducts.

LA NACION on 28 June also carries a report on page 9 on statements made in Cordoba by Lic Jorge Caminotti, national foreign trade under secretary. The official estimates that Argentine exports in 1982 will total $9.8 billion which will leave a trade balance surplus estimated at $2.5 billion. According to the paper, the official made the following conclusion. "That figure is not sufficient if compared with servicing the foreign debt."

CONTROLS TO BE LIFTED ON FALKLANDS INFORMATION

PY270345 Buenos Aires LA NACION in Spanish 26 Jun p 5

[Text] The control of information for security reasons that was imposed by the Joint Staff at the end of April in the wake of the conflict with Great Britain remains virtually without effect.

A military source in the Joint Staff that was consulted by LA NACION last night said that "in practice, the measures that were duly imposed are no longer implemented."

The source based his contention on the fact that after the fall of Puerto Argentino, "there was no time to prepare measures of such a nature because events developed before the estimated time." The source also said that "the recent statements made by the soldiers who returned from the battlefield, and which have been cited by the press in general, confirm that those measures are no longer being implemented."

The same source said that it is almost certain that the Joint Staff in the next few days will officially lift the measures which precluded journalists from having access to subjects related to the South Atlantic crisis.

These measures, which are no longer being implemented, were imposed on 29 April through a document issued by the military junta in view of the "situation that has arisen with the United Kingdom and Northern Ireland." It was noted in the document that "all foreign reports and news and all news related to aspects of the development of military operations and to national security will be subject to control by the Joint Staff before their dissemination by the media, whether they be oral, written or televized."

It was also noted in the document that the Joint Staff "will exercise control of the news" and that any violations "will be subject to sanctions, including the closure of the media and the arrest of the responsible director or editor, who will be put at the disposal of the executive branch for an indefinite period of time."

LA PRENSA SCORES CONTINUED JUNTA CENSORSHIP

PY282013 Buenos Aires LA PRENSA in Spanish 27 Jun 82 p 1 sect 2

[Editorial: "Extension of the Censorship"]

[Text] Although the reasons cited by the military junta to implement on 29 April 1982 censorship regarding all information related to the development of belligerent operations in the South Atlantic have disappeared due to the evolution of events, such a measure continues in force because it has not been expressely derogated.

According to the document signed and released by the junta on that occasion, the situation brought about by the United Kingdom had called for the need to establish control over news to safeguard "national security." To this end all information was subject to control by the Joint Staff before its dissemination by the various media, whether it was oral, written or televised. According to the measure's complementary "guidelines," the items subject to censorship included those which would "cause panic," jeopardize "national unity," "undermine the credibility of or contradict official information," refer without authorization to "Argentine military operations" and to deployment and equipment of the personnel, as well as those which would help in "learning about the weather forecast for the South Atlantic" and the "movement of ships in the River Plate and offshore." Items "which mention military alliances and active neutrality in favor of Great Britain," or which are designed to "make it possible for the enemy to accomplish its psychological objectives," were also mentioned in the long list of news subject to censorship.

Severe penalties for the dissemination of the previously mentioned items were also imposed. These penalties included the closure of the organ and the arrest of its directors or editors, who would then be put at the disposal of the executive branch "for an indefinite period of time." The latter penalties would be implemented "without prejudice to the criminal or civil penalties that could be applied."

It is easy to understand that due to the large number of these provisions and to their vagueness, all the media and the persons who manage it are in jeopardy. Even now that military operations have practically ended, they are still in danger of being considered an offender of the established provisions. This possibility exists and will prevail as long as the restrictions are not officially derogated. Although this "sword of Damocles" is not allowed to fall on the heads of journalists, the risk of this happening will always exist. At any rate, the fact that the measures are currently in force has inhibitory effects on those who understand that the best way to serve the country and national security is to provide good information and to speak the truth freely.

On commenting and scoring the implementation of these measures, we said on 4 May that the representatives of the press sector have shown sufficient prudence and discretion in exercising their functions, let alone under the special situation the country has experienced. A representative of the Joint Staff also acknowledged in due time that the media had lived up to its responsibilities. Therefore, one cannot understand why the censorship continues in force, disregarding constitutional provisions which explicitly safeguard the basic rights of the citizens to be freely and correctly informed.

The censorship discussed here must be lifted as soon as possible.

NAVAL SOURCE EXPLAINS POSITION ON PRESIDENCY

PY281553 Buenos Aires LA NACION in Spanish 27 Jun 82 pp 1, 11

[Text] Giving further details about the significance of the official communique released by the navy last Tuesday, an authorized naval source told LA NACION yesterday that "the navy's decision to step down from the political leadership of the process and to let the army assume the responsibility alone should not be interpreted as a delegation of authority or a mandate."

The source added: "By no means can this withdrawal from the government be interpreted as refraining from giving cooperation for the success of this stage.

"Moreover, the navy will provide its opinion whenever it is requested on specific subjects and will not hesitate to allow the persons requested by the president whom he considers necessary for the achievement of the established objective to participate, provided that these persons are not designated for political posts," he added.

As an example, the source indicated that the national atomic energy commission, the area of maritime interests and perhaps some governments in the Atlantic zone will remain in the hands of navy officers. In the same manner, the navy will continue providing men to cover traditional posts of the presidential structure such as the chief of the military household and the aides-de-camp.

Then the high-ranking naval source gave further details on the development of the position which the navy has adopted since 18 June within the military junta during the process of electing the president:

1) That the election had to be held as soon as possible because it was required by the critical national situation;

2) That the president must be elected unanimously to avoid the repetition of situations created when Videla was nominated. The affirmation of the idea of unanimity from the very beginning discarded the possibility of resorting to other forms of election like the so-called greater junta, through which Videla was designated for a second time. Videla was elected during a plenum of major generals [both army and air force] and vice admirals, by the votes of the major generals. According to the navy, this is an incorrect manner because it involves downgrading the responsibility of the commanders;

3) There should be no return to exceptional situations, that is, the president maintaining the role of commander in chief, as Videla did during his first term, and as Galtieri did;

4) The government that is to be established now should lead to the full institutionalization of the country unfailingly in March 1984;

5) For this transition period, the political, economic and social measures should be discussed with civilian leaders to facilitate consistent and effective government action;

6) He finally stated that the political circumstances had made necessary the designation of a civilian to preside over the transitional period, and consequently, the [national reorganization process] statute had to be changed. There should be no conditions imposed on the civilian who assumes the presidency; on the contrary, he must assume the office with the full support of the armed forces to implement a plan which must be drawn up beforehand.

It was in this manner that the navy proposed, first of all, the name of a civilian, then the names of two generals on active duty -- Saint Jean and Garcia -- and later agreed to the idea of designating one of the three members of junta, following his previous retirement, to assume the presidency of the republic.

Since no agreement had been achieved regarding the designation of someone for the presidency, it was decided to establish the objectives of the stage, which was finally approved according to the terms of the latest communique released by the junta; the institutionalization of the country in March 1984 and the search for an agreement with civilians.

The naval source told LA NACION that "given the fact that the navy rendered greater importance to the fulfillment of the objectives than to the designation of the man, the navy decided, rather than giving up the idea of unanimity, to withdraw from the political leadership, leaving the responsibility of conducting the process until March 1984 to one branch alone."

Asked about the image of the military junta after the decision was adopted, the source answered: "To a certain extent the junta was not created on 24 March 1976. The junta of commanding generals concerning all military and security issues existed before. In the act of 24 March the commanders agreed to change this junta into a military junta to assume the political authority of the nation. Now the old system has returned."

The meeting with one of our reporters concluded with the firm reiteration by the source that the navy has no intention of becoming a critic of the current government.

DAILIES' COMMENTARIES VIEW HAIG'S RESIGNATION

CLARIN Commentary

PY272205 Buenos Aires CLARIN in Spanish 26 Jun 82 pp 10, 11

[International commentary by Enrique Alonso: "Haig: Who Flies, the Dove or the Hawk?" -- capitalized passages published in boldface]

[Text] Yesterday Gen Alexander Haig was unable to pull any doves out of his hat, taking out instead his resignation as U.S. secretary of state. The wording of this resignation was ambiguous (it merely claimed a certain degree of deviation of the foreign policy from the originally outlined guidelines). Thus, we must wait to see where the guidelines will be maintained and where there will be changes. However, it is very interesting to note that Reagan was contrite when he announced Haig's resignation and that he named as his replacement not a strategist but an economist. Will George Shultz be more of a "dove" or more of a "hawk" than Haig? For some this will be just a matter of viewpoint. Others will agree that, whatever the case may be, THE U.S. PRESSURE ON THE INTERNATIONAL CHESSBOARD WAS ABOUT TO CAUSE A SHORT-CIRCUIT.

Certain developments in recent months will give us an idea on the matter. Let us begin with what is closer to us, that is the conflict over the Malvinas. It is obvious that the Argentine Government badly timed its recovery of the archipelago and that it failed to assess the power which the enemy was likely to employ, as well as its own international isolation. However, General Haig's mediation, FAR FROM PREVENTING OR SOFTENING THE CLASH, PUSHED THE ISSUE TO A VERY CRUEL ENDING.

For many European observers the reaction went beyond the degree justified by the strategic or economic significance of the islands. It was an obvious display of authority against a Western country which was wielding concrete reasons for its desire to recover lands seized from it in the past. Thus, it was a display of authority, A PUNISHMENT which was worth more as a lesson than the basic reasons which allegedly prompted it.

The effect all this had was deterioration in the relationship between Washington and Latin America. Countries like Mexico, who had weak ties with Argentina, WITHDREW A CONSIDERABLE DISTANCE [from the United States]. Others like Venezuela began to ACTIVELY OPPOSE hemispheric association between the Latin Americans and North Americans. In addition it became clear that the hemispheric security mechanisms were consistent only with the interests of the hegemonic power and that they broke apart when another member nation required aid against an extracontinental power. Even though theoretically the United States can do without all the nations south of the Rio Bravo because they are irrelevant from the viewpoint of East-West confrontation, it is equally true that any prospect for universal trade, in keeping with the great technological and business developments, of this century, would have to take into account the need to INTEGRATE THE PEOPLE OF UNDERDEVELOPED NATIONS INTO THE MARKET, AND THAT IN THE INTEREST OF THE UNITED STATES THIS MEANS THE LATIN AMERICAN COUNTRIES FIRST OF ALL.

The Malvinas war, therefore, could be divided into three clear-cut phases from the point of view of international relations.

One of these phases was the MISJUDGMENT OF THE ARGENTINE GOVERNMENT which conducted the recovery of the islands. The other phase was BRITISH REACTION which, having the support of the United States and the highly industrialized West, was bound to impose its superior power. The third phase is the consequence, that is the RESULTING ISOLATION of the United States.

And this is not all. The Malvinas were a mild sign of a more vast concept, that is, the use of force to resolve pending conflicts in which the United States or its "GREAT" allies had interests.

The technological "GAP" [given in Engish] was too great in this conflict. Unfortunately the persons responsible in Buenos Aires did not see it this way. However, it was perfectly understood by those who reinstated the colonial status on the islands. Above and beyond the military exercise -- this was the first conflict that evidenced the superiority of a "TECHNOTRONIC" army -- and beyond the testing of new weapons, there is a bitter aftertaste of a punitive action over an issue in which law is on one side and superiority of might on the other. THIS WAS A METHOD.

We will not analyze the Lebanese affair at this point. The Israeli offensive seems to have decisively neutralized Syrian forces stationed in Lebanon. The Palestinian organizations will have to choose between BEING DESTROYED OR SURRENDERING ARMS AND EMIGRATING. Thus the Palestinian issue seems to FADE AWAY, giving Israel the chance of having a neutralized northeastern border. It is quite possible that Lebanon will be divided or left in the hands of forces friendly to Tel Aviv.

However, the fact that the triumphant Israeli army has alternated bombings and cease-fires at the very gate to Beirut without occupying the city and allowing the Palestine resistance to collapse by itself ("THREAT IS STRONGER THAN DEED" as the Danish chess player Nimzovich used to say), shows that a crucial point has been reached in the sensitive Middle East area. The questions then are: Is Begin stopping Sharon, is Reagan stopping Begin, or has an understanding been reached that greater pressure would be unbearable to the moderate Arabs (who export the oil) or even to the Soviet Union itself?

Let us understand each other. THE RED LINE BETWEEN WASHINGTON AND MOSCOW IS OPERATIONAL. Above and beyond factual or verbal confrontations, the diplomats of the two superpowers are used to assessing the places and situations where the SECURITY STRUCTURE of the adversary could be upset, thus giving rise to disproportionate reactions. This is almost a ritual of our times. THE RITUAL OF COEXISTENCE.

This ritual naturally did not apply to the South Atlantic because this region has no precedent in strategic confrontation. The surprising nature of the operation, the lack of diplomatic readiness, the fact that the American hemisphere is mainly under the influence of the United States, precluded the USSR from feeling that it had to act as a moderator in the conflict. HOWEVER, THINGS ARE QUITE DIFFERENT IN THE MIDDLE EAST. Perhaps Lebanon could be given up. However, should a passion-arousing development -- like the elimination of the Palestinians -- take place, leaving Syria unable to pursue its current stand contrary to involving more of its forces in Lebanon, or if the conflict expanded to include the Golan, then IT IS POSSIBLE THAT EVENTS COULD ESCALATE.

If new developments begin to make waves at the international levels, then it is natural that the fear of THE IMPOSSIBLE CONFRONTATION will increase. The Foreign Affairs Committee of the U.S. House of Representatives recently pressed two alarm bells. It asked for a "MUTUAL" and "VERIFIABLE" (that is, subject to inspection) freeze of U.S. and Soviet arsenals. As if all this was not enough, it asked for U.S. approval of SALT II, that is, the second accord on strategic arms limitation between Washington and Moscow. This accord is being complied with by both parties [as published] but it was withdrawn from the Senate by the U.S. executive branch as a result of the Soviet move into Afghanistan.

For Reagan's administration, which has moved forward on all strategic rearmament programs, these two bits of news aimed at strengthening detente and at returning to peaceful coexistence not only SOUND BAD but they also forecast the atmosphere that will prevail in the coming election campaign. All this is taking place amid a DANGEROUS DECLINE in Reagan's prestige.

At this point A CERTAIN DEGREE OF SATURATION WITH REPUBLICAN MANAGEMENT can be perceived. Furthermore, other recent developments have added fuel to the fire. First of all, as a result of the recent Versailles summit, the European allies have become convinced that Reagan does not plan to reduce interest rates which are suctioning investments toward the United States and motivating the industrial slump and high rates of unemployment in Europe. The "imperial policy" at the financial level is motivating bitter recriminations.

The French finance minister termed this policy "a kind of insolence." He said that it was like a "hurricane blowing from the West, and even the Bonn government does not know how to deal with it."

FRG Chancellor Helmut Schmidt joined in these criticisms, stressing another recent outrage: the U.S. decision to expand abroad its technological embargo on technology for the construction and operational control of the Soviet gas pipeline which will link Siberia with the EEC nations. He said: "IT [the U.S.] SHOULD NOT WAGE A COMMERICAL WAR ON THE USSR BECAUSE THAT WOULD MOVE US BACK INTO ANOTHER COLD WAR."

As for Japan, it is beginning to focus its eyes, less stridently, on Moscow, the Soviet capital, which is gradually improving its relations with Beijing as well. The Chinese reject the sale of arms to Taiwan attempted by Reagan. The Japanese, even though they lack an army, produce highly sophisticated weapons and are threatening to include the Soviet Union in its trade policy.

Reagan's policies of GRANTING PRIORITY STATUS TO THE EAST-WEST CONFRONTATION breed difficulties as mushrooms after the rain.

THE KEY, HOWEVER, IS THE SAME to the most dissimilar developments. The question is whether the future world will be "IMPERIAL" or whether "DEMOCRACY" will prevail among the peoples. U.S. power could tilt toward one option or the other, and this is its great dilemma. According to the thesis advocated by the followers of the latter Roosevelt, U.S. world leadership will reach its summit if U.S. capital and technology are sunk into the construction of a world where the schism between opulence and misery could be substantially reduced, that is, a world where universal cooperation could lead to the progress of underdeveloped nations toward their own fulfillment, thus incorporating the great masses into the consumption market and creating -- by means of economic development -- considerable purchasing power in the vast Third World.

The "EMPIRE" in turn, could move toward the use of force with the legendary conclusion of a nuclear holocaust that would write the word end to the history of humanity. This is the path followed by the advocates of "ALLEN DULLES" theories by returning to the cold war.

In the meantime, since the fate of the world is decided in a village, the fate of any nation cannot be indifferent to the rest. The European nations are now refusing -- as in the case of the Soviet gas pipeline -- THE SAME AUTHORITARIAN POLICY WHICH THEY HAD ACCEPTED REGARDING THE MALVINAS. Those who are moving on Lebanon from both sides -- irrespective of their reasons or the fairness of their viewpoints -- ARE HELPING TO undermine a nation's right to exist, WHICH IS ONE OF THE MOST IMPORTANT MATERIALS USED IN THE BUILDING OF OUR ERA.

Thus, it is hardly relevant whether Haig is leaving because he has been a "hawk" or a "dove." Above and beyond its leanings, THE POLICY WHICH HE EPITOMIZED IS NOT VIABLE.

LA NACION Commentary

PY280103 Buenos Aires LA NACION in Spanish 26 Jun 82 p 10

[Manfred Schonfeld commentary: "Haig's Resignation: A Belated, Indirect, Partial and Insufficient Success for Argentina, but Nevertheless it Could Be Taken Advantage Of]

[Text] We Argentines should not make the fatal mistake of believing that we are the navel of the world, concluding, therefore, that General Haig's resignation as U.S. secretary of state must be attributed to his unfortunate performance regarding our military conflict with Great Britain. A performance unfortunate not only from the point of view of our most immediate interests but also, in the final analysis, from the viewpoint of a much broader scope of interests of the majority of nations of the western hemisphere and -- also significant -- of the majority of nations of the southern part of this hemisphere.

Even though it is true that Haig's performance in the southern conflict resulted in the United States playing a sad role, we must understand that this issue -- irrespective of its importance to us -- is not as important to the United States (whether this is a mistake or not we will not pass judgment now). As in the past the United States is a country which is more interested in its own affairs than in those of other nations. Like in the past, it lacks a firm and powerful foreign policy and there are even some intelligent observers that believe that Washington by itself has not had a foreign policy worth of the name for many years. However, this is the very reason why a development such as Haig's resignation should be interpreted not as much in the light of its foreign causes -- even though this may seem strange since he was, after all, the secretary of state -- as in the light of the domestic political situation.

We do not mean by this that Haig's performance regarding the issue which interests us -- and in this connection we must count his clash with Jeane Kirkpatrick among his various mistakes -- has not had a considerable effect. Perhaps it even played the role of the proverbial straw that broke the camel's back as far as displeasure with Haig's performance goes. Undoubtedly it had this or a similar effect. The only thing that we believe necessary to stress at this point is that this effect must not be exaggerated, less still presented as some sort of Argentine victory. In the best of cases it is a success, although a belated, indirect, partial and, therefore, insufficient one. Even so it can be taken advantage of, as we will see later on, if we react to it the way we should.

First of all we must ask ourselves about the mound of possible causes for Haig's demise. There are many of them, without neglecting some purely personal ones: for example, his character shortcomings -- his peculiar manner of being stubborn about certain fixed ideas, or at least his inflexible attitudes -- a quirk of the now former secretary of state's personality which, according to certain observers, had apparently become more evident after his cardiovascular illness and the heart surgery he underwent.

Among the same type of Haig's defects -- that is personal, rather than job-related -- we must mention the obvious difference of attitudes, stands and viewpoint between Haig and President Reagan. The latter is a U.S. citizen who is interested in domestic issues, who believes in the power of public image, of simple charisma, of all that which makes up the multiple aspects of what is called public relations. Haig, a military officer with the European patina which most U.S. citizens typically acquire after spending some yers in the old contingent, a patina which even includes the inevitable feeling of inferiority vis-a-vis the Europeans. Thus, we have a man who sees the nation "from outside," who thinks in "Atlantic" terms, while harboring presidential ambitions.

Haig's unusual attempt at taking over the reins of power when Reagan was attacked and his life was believed, for a short while, to be in danger, was the subject of more than one commentary.

Since then the tug-of-war between the President on one side and the State and Defense Departments on the other has not ceased nor did it stem the resentment -- of Reagan among others -- over by Haig's efforts to thwart (thanks, obviously to his strong personality) the president's desire to bring Vice President Bush more into the limelight.

We have already explained -- in some of our commentaries published during the South Atlantic conflict -- that even on this issue Haig managed to take Bush's place, since initially the latter was to be the mediator, the friendly go-between or whatever else one may want to call his role. It would be very difficult, not to say impossible, to speculate on the outcome of Bush's hypothetical mission as compared to what happened with Haig's mission.

In any case, this mission proved that the former NATO commander in chief in Europe had no intentions of developing anything even remotely resembling a true mediation but to merely impose on us -- by other than overtly military means -- the viewpoint which London tried to make prevail, almost at the same time, by military means. It also showed that Haig did not assign any geopolitical significance not only to Argentina but to Latin America as a whole. In the final analysis it proved that the now ex-secretary of state was unable to make his will prevail on the British Government since he did not extract from it a single concession, either to bring it closer to the Argentine stand or at least to save his own face as a negotiator.

But, as we said at the beginning, this issue was just an episode in Alexander Haig's short and controversial diplomatic "career." It was certainly one of the last. The last and most decisive was, undoubtedly, the current status quo in the Middle East.

Even so, what now appears to be prophetic voices were heard in the United States against Haig's performance in the South Atlantic conflict. These voices went as far as to describe what the then secretary of state was doing as "foolishness."

For example, the Washington TIMES on 10 June published a Val Victorson article entitled "The Foolishness of the Malvinas (Falklands): Seven Reasons Why Haig Should Go."

-- Having helped Great Britain to become emboldened enough to initiate a military solution to the affair in the certainty that it would prevail with U.S. support;

-- Having created in Latin America the impression that the United States was the one which gave the British "hawks" the "green light";

-- Having prompted the conviction that U.S. mediation efforts prior to the final stage of Haig's mission -- during which he threatened Argentina with abandoning a neutral position and then carried out this threat -- had not been sincere and that they were aimed at buying time for British military preparations;

-- Having paved the way for the Soviets and Cubans to show themselves as true friends of Latin America's cause;

-- Having thus derailed the prior slow and painstaking efforts to create in the hemisphere a common front against Soviet influence;

-- Having put Reagan in an embarassing situation related to the telegram of congratulations on 25 May [Argentine Independence Day];

-- Having offered Argentina -- in case of defeat -- the excuse that this defeat was due to U.S. aid to the British.

As we said -- and despite the above categoric opinion of the U.S. press, an opinion which turned out to be a prophesy -- we Argentines should not feel pleased with ourselves and delude ourselves that Haig is leaving only because of our problem, because if we do so we could make an even more serious mistake: accepting Haig's resignation as a kind of "peace offering" from President Reagan to make us believe that the Washington-London axis is no longer there, as far as we are concerned.

No. The U.S. gentlemen should not "get away with it so cheaply" — as we say colloquially -- and recover their lost friendship with Argentina because -- with or without Haig -- they have proven more than sufficiently that they neither want or need it, and most of all, that they do not deserve it.

Let us not make ourselves the laughing stock by saying that "nothing happened" and "let us start from scratch." A great deal has been left pending between our nation and the United States, many negative, disloyal and unmentionable things. All this will take a long time to be repaired.

In fact, nothing can be repaired with the resignation of a secretary of state. On the contrary, the only way we can use to our own advantage this resignation is to glean from it the benefit of maintaining our hostile stand which -- as we have advocated throughout the conflict -- should have taken a much more severe shape, especially in the economic field.

More than ever in these difficult times we must show that we cannot be bought or "fixed" without more ado. Let this be the flavor of our policy toward the United States within the framework of the hemisphere and with the cooperation of the greatest possible number of Latin American nations which would be seriously disappointed otherwise.

MEMORANDUM ON DIPLOMATIC STRATEGY DISCLOSED

PY290216 Buenos Aires CLARIN in Spanish 27 Jun 82 pp 14-16

[Joaquin Morales Sola political commentary: "The Narrow Path to Agreement"]

[Excerpts] The Argentine political process is now marching down the path toward convergence, especially between the political parties and the military regime of the army. However, it still shows signs of being precarious. The situation is affected not only by the schism within the armed forces caused by the air force and the navy's withdrawal from the junta. The politicians who have backed General Bignone are anxiously awaiting the composition of the cabinet. Only then will they know whether the path toward agreement can be broadened or if it will be close once again.

The only fact so far is that the commander in chief of the navy has reportedly told those close to him that he has decided to retire in a month or two, that is, by October at the latest.

Admiral Anaya first wants to preside over the internal investigation into the events that took place during the battle for the Malvinas. "There will be gold medals and also a few retirements," a reliable navy source indicated.

It is also possible that the political parties will ask for an investigation into the actions and political background of Galtieri's government in connection with this conflict. It is known, for example, that the political operation of taking over the Malvinas had been planned for some months in advance, "as a strong attempt at propping up the government," although none of the military commanders within the army had been consulted about it.

There is a diplomatic memorandum outlining the steps that had to be followed before the operation: The plan was to invite the following people to visit Argentina: Caspar Weinberger, U.S. secretary of defense; John Marsh, secretary of the Army of the same country; William Clark and Roger Fontain, members of Washington's National Security Council; and Thomas Enders, under secretary of state. The reason for these invitations: "to give a chance to high-ranking U.S. officials close to the President of that country to acquire personal knowledge of our country in order to expedite its political objectives," according to the text of the memorandum.

However, its ambitions went farther still. It proposed: "If it proves to be necessary, to begin a withdrawal from the Nonaligned Movement in order to disconnect Argentina from it and remain as an observer only," while "selecting and hiring in the United States for the period of 1 year a lobby that has proven to be effective on prior occasions." Among other similar measures the memorandum called for "the withdrawal of ambassadors to Cuba and Nicaragua without appointing replacements," in order to "diplomatically state our political position toward these nations."

The obvious objective of these measures was to seek U.S. support for the Malvinas operation, but only the last of the provisions was complied with -- the withdrawal of the ambassadors in Havana and Managua -- when the incident of the Argentine workers in the Georgia Islands took place. At that point Foreign Minister Costa Mendez apparently told the then President Galtieri: "We will not have another chance like this, so let us go ahead with it."

LA PRENSA URGES REFORGING LATIN SOLIDARITY

PY282047 Buenos Aires LA PRENSA in Spanish 25 Jun 82 p 1 section two

[Editorial: "American Fraternity and Ideology"]

[Excerpts] The American and international diplomatic battle fought regarding the Malvinas conflict has obviously distanced countries which, a short time ago, could not be suspected of having disagreements. Votes within the OAS and the Security Council represented a clear differentiation of attitudes, behavior and points of view to such an extent that quite a number of observers kept believing that the East-West difference was followed by a serious North-South dispute. Meanwhile, Moscow was not only marauding in the southernmost sea but was also working its way into international forums, pretending favorable attitudes with the clear goal of obtaining political benefits once the conflict ended.

What seems clear is that suitable conditions have been created so that the collective spirit of the Latin American countries can be exacerbated by the disciplined groups which the Kremlin has available, under various disguises (peace conferences, youth meetings, anti-imperialist leagues, etc). Toward the unaware, such as citizens with resentments and also broad popular sectors, mainly among the youth, the Soviet Union may be engaged in pushing them to adopt thoughtless attitudes, which will of course not result in an improvement of the incomes of the more humble sectors of the population or in the strengthening of our republics, or in political and institutional security.

In view of this situation, the greatest effort will be needed to recompose the traditional links of American friendship in the hemisphere and the traditional ties with Western Europe. Good will or wishes will not suffice for the achievement of this high objective. Substantial changes and new behavior to repair errors made will be needed, but above all, the indispensable and probably the "sine qua non" condition will be an intelligent policy aimed at demanding that the great powers banish pride and intransigence, which have lead to nothing but to make the situation more serious, a situation which must precisely be urgently overcome.

EL SALVADOR

ARMY DENIES HONDURAN TROOPS CLASH WITH FMLN

PA290142 Paris AFP in Spanish 0050 GMT 29 Jun 82

[Text] San Salvador, 28 Jun (AFP) -- The Farabundo Marti National Liberation Front reported this afternoon that Salvadoran rebels have begun fighting with Honduran troops in the northeastern Department of Morazan.

However, today, the Salvadoran Armed Forces categorically denied that Honduran troops have entered Salvadoran territory to presumably corner guerrilla forces operating in the country. A spokesman for the Armed Forces Press Committee, said that if Honduran troops had carried out any incursion it "would be a very delicate matter." The spokesman also denied that talks have been held between Gen Guillermo Garcia, Salvadoran defense minister, and his Honduran counterpart.

According to reports, the meetings were held to organize joint actions by the two armies against the Salvadoran guerrillas. The spokesman categorically denied these reports. He noted, however, that the Honduran Army can move along the border inside Honduran territory because "it is perfectly entitled" to safeguard its national sovereignty, the same way the Salvadoran Army is. He made it clear that neither army can cross the border, though. If the guerrillas have tried to take refuge in Honduran territory and have been repelled "it is their problem," he said, stressing that "it is a quite different matter if the Honduran troops have penetrated Salvadoran territory."

For their part, FMLN spokesman announced that they will provide more details about the charge concerning the Honduran Army's incursion into Salvadoran territory during transmissions of the rebel station.

ONE U.S. NEWSMAN, FIVE OTHERS DISAPPEAR 28 JUNE

PA290125 Panama City ACAN in Spanish 0105 GMT 29 Jun 82

[Text] San Salvador, 28 Jun (ACAN-EFE) -- A military source has reported that six newsmen, one of them a U.S. newsman, disappeared today from a highway in Cabanas, in the Suchitoto area. The newsmen disappeared while covering a clash between troops and guerrillas in Suchitoto, 44 km northeast of San Salvador.

The following men have disappeared: U.S. newsman Julian Harrison of the ABC Television Network; Carlos Rosas Gaitan and Eduardo Vasquez, Guatemalan newsmen living in El Salvador; and Salvadoran newsmen Pedro Antonio Garcia, Rafael Antonio Martinez Magana, and Victor Manuel Tobar. The last three mentioned worked for the U.S. NBC network. According to the military source, the newsmen have been kidnapped by the guerrillas. The source, however, said that the report has not been confirmed. The source reported that the vehicles in which the newsmen were riding were abandoned on the outskirts of Suchitoto.

STATION COMMENTARY DENIES CONTACTS WITH CASTRO

PA282215 San Salvador Domestic Service in Spanish 1252 GMT 28 Jun 82

[Commentary]

[Text] The Salvadoran Government's position of not negotiating with the subversive groups operating in our territory remains firm and unequivocal. As has been repeatedly said, any such contact can be regarded as viable only if the extremists forsake the armed struggle.

This is demanded by the principles of dignity on which our own democratic institutions are based and the self-respect that the government owes itself, which is in turn based on the prestige of the armed forces and the will of the people who gave a firm no to violence on 28 March.

Since this is the unyielding position of the people, the government and the armed forces, the current talk about an alleged dialogue with Cuba's communist regime is downright illogical. Certain foreign news media have falsely reported that Gen Jose Guillermo Garcia, the defense and public security minister, has been in contact with Fidel Castro. If no dialogue can be held with those who directly or indirectly engage in subversion, talks surely cannot be held with the top leader of the communist conspiracy of Central America and the Caribbean.

In view of the strange report about the talks, which [word indistinct] our government's integrity and cast doubts on the professional honor of our armed forces, General Garcia has categorically denied any contacts with Castro. This is one more lie by the Cuban dictator, the senior military officer said. I have not talked with him, and do not intend to do so either. I will never do anything behind the people's back because I have always told them the truth, General Garcia emphasized.

The defense minister's categorical statements are reflected in the position of the government of national unity on this issue. This position entails establishing order and peace without having to restort to humiliating dialogue with individuals who refuse to admit that the only path to understanding is forsaking terror and violence.

A dialogue with Fidel Castro? Why and what for? Peace, as well as our fatherland's grandeur, can only be forged by us Salvadorans without meddling from anybody and much less through the suspicious mediation of the dictator who is torturing and humilliating our people.

FDR ASKS FOR HELP FROM COSTA RICA'S MONGE

PA290419 Panama City ACAN in Spanish 2316 GMT 28 Jun 82

[Excerpts] San Jose, 28 Jun (ACAN-EFE) -- Today, spokesmen for the Salvadoran Revolutionary Democratic Front (FDR) asked the Costa Rican Government to use its good offices to find peace. The request was made in San Jose by Ruben Zamora, a member of the Social Christian Peoples Movement, which is part of the FDR, and was directed at Luis Alberto Monge, president of Costa Rica, "who in his inauguration speech publicly offered to use his good offices in an effort to establish peace in Central America." Zamora added that "we believe President Monge has a golden opportunity to actually do what he has offered."

The urgency of the request submitted to the Costa Rican president was explained here by the FDR spokesmen during a news conference, at which it was said that Monge could "prevent the conflict form spreading throughout the Central American region." According to the Salvadorans, the regionalization of the conflict would have "directed and negative consequences for the stability of every country in the area, including Costa Rica."

The statements of the opposition delegates came after they revealed several events of the war in El Salvador, which, they said, took place "with the participation of the Honduran Army and the authorization of the United States."

Zamora said he is part of the FDR directorate, together with Guillermo Ungo, and is a member of the political-diplomatic commission of the front. According to Zamora, a meeting was held yesterday between the Salvadoran officers Monterrosa and Castillo, from the Atlacatl Brigade, with Honduran officers to coordinate the actions of the two armies in Salvadoran territory.

Zamora said that according to reports the meeting was held in Las Flores school and on the same day 10 Honduran military helicopters landed Honduran troops in Joateca and Sabanetas while others took 250 soldiers to Corinto, all in Salvadoran territory. Zamora "charged and held responsible" the Honduran Army for violating Salvadoran territory and "for attempting to regionalize the Central American war," which will lead to "complete instability in Central America.

In the second place, the FDR spokesman held Ronald Reagan's government "directly responsible because this type of operation cannot be staged unless it is authorized or promoted by the U.S. Government." The Salvadoran leftist spokesmen, will bring formal charges in the United Nations and will ask the Mexican, French and Panamanian Governments to help stop the spreading of the Salvadoran conflict throughout Central America.

MANAGUA CARRIES FMLN REPORT ON MILITARY ACTION

PA252145 Managua Radio Sandino Network in Spanish 1200 GMT 25 Jun 82

[Text] Commander Marcos Jimenez, member of the FMLN joint general staff in Morazan Department, El Salvador, said yesterday that the guerrilla forces' prolonged occupation of Perquin and San Fernando and the large number of ambushes staged against government troops have disrupted the enemy's offensive plans for the next 6 months.

The FMLN's military victories and the treatment accorded the members of the genocidal army who have been captured have seriously damaged the troops' morale, especially in the Ramon Belloso Battalion, which was recently trained in the United States. Jimenez said that high-level meetings have been held by the Honduran and Salvadoran Armies to plan direct Honduran support for action against the FMLN forces.

Commander Jimenez added that the rebels have ordered a halt to the movement of all vehicles in Morazan to prevent the army from bringing in more troops and organizing a much larger force against the guerrillas. The measure also helps to create the necessary conditions for insurrection throughout the country, Jimenez stressed.

RADIO VENCEREMOS REPORTS ON FMLN ACTIVITIES

Ambush Near Conacastillo

PA251900 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 25 Jun 82

[War bulletin issued from the Anastasio Aquino Paracentral Front; date not given -- read by announcer]

[Text] At 0930 on 22 June, our forces ambushed an army patrol near Conacastillo on the Pan-American Highway. This army patrol was made up of about 15 soldiers who were riding in a blue van. Our forces killed four and wounded an undetermined number of enemy soldiers. Companero Nelson led this action.

Sabotage Against Economy

PA261730 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 26 Jun 82

[Text] Now we are establishing contact with Commander Ana Sonia Medina, Commander Mariana, in the Modesto Ramirez Central Front, who has a report on implementation of the FMLN general headquarters directive to paralyze traffic on the country's main roads. [Begin live relay] This is a report on the situation in the capital. As a result of the order from general headquarters to gradually increase our military actions throughout the territory, our brotherly commandos sabotaged 10 underground telephone switches [words indistinct] of telephone centers that handle more than 50 percent of the capital's telephone lines.

One switch was blown up only a few meters from the Presidential Palace. The five most important telephone switches were seriously damaged.

In the transport sector, in 10 days the FMLN has destroyed about 30 buses, many of them in the capital. In the power sector, we hve felled five powerline towers that provide the capital with energy from the east, west and north of the country. These lines were damaged by our fighters in Guasapa, [word indistinct] and San Vicente and the [words indistinct] is larger.

Electric energy is [word indistinct]. Many factories and businesses are paralyzed either because they have no energy or because the voltage is low and insufficient for operations. Offices, factories and some [word indistinct] are operating only partically as a result of the difficulties created in the transport, electricity and communications sectors.

The army has increased repression and established control over bus routes, terminals, telephone centers and other places. Under these conditions, our urban commandos have reiterated that they will increase their actions in the next few days. The enemy has not been able to limit the war to a region of the country where it has almost 1/3 of the army. The military activities of the [word indistinct] units in their strategic rear guard, the capital, have reminded the enemy that we are present throughout the country and we will give them no rest until we secure victory.

The mission of our commando units in the capital is to destabilize production and to prevent the enemy from maintaining the appearance of normality. This is being accomplished. The entire army has been mobilized against our strategic units in Morazan. Production, the economy, transport, communications ard electric energy -- basic sectors -- will be under continuous sabotage in the enemy's rear guard, thus reiterating that there will be no peace in any area of the territory. We will not let the enemy rest.

Our units are defeating the strategic forces of the enemy in Morazan and in the meantime, our commandos are active in the enemy's rear guard, in the capital. United to fight until final victory! Revolution or death! We will win! San Salvador, 25 June 1982. [end relay]

Castillo Views on Elections

PA270443 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 27 Jun 82

[Interview with Deputy Defense Minister Col Francisco Adolfo Castillo by Radio Venceremos]

[Text] [In progress] [Question] What is your opinion of those who are known as the young officers of the Salvadoran Army?

[Answer] If you are referring to the young men who participated in the 15 October coup, there is that concern within the armed forces of the need of structural changes in our country, especially in the economic and social aspects.

[Question] What was your role in the 15 October coup?

[Answer] None.

[Question] You absolutely did not have anything to do with it?

[Answer] That is correct.

[Question] How did you join the junta?

[Answer] Do you mean the government?

[Question] Yes, the government.

[Answer] Although I did not participate in the coup, perhaps some of my superiors were ousted [words indistinct] and it was necessary to replace them, and when these vacancies were filled, I was chosen, perhaps because I was one of the seniors.

[Question] Are you a personal friend of Colonel Garcia?

[Answer] You mean of General Garcia? Yes, we are comrades in arms and in work. Yes, we are friends.

[Question] What is your opinion of Major d'Aubuisson?

[Answer] Major d'Aubuisson is a man of the right. He is now in politics because he has political interests. He is like other persons who have political interests. I do not know much about politics, but I do not know how are we going to make out at the end if there is not a real understanding of the needs of the people, by those who are now in a position to do something in the political field, such is the case of Major d'Aubuisson, if they do not care to solve these problems and the people's needs.

[Question] Does having Major d'Aubuisson as leader of the Constituent Assembly mean it will be a serious problem to carry out the projects which had been established on 15 October, for instance, the reforms? What is your opinion of the reforms?

[Answer] As I have said in my television appearances and in interview and news conference, the reforms are necessary. We need more social justice in our country, especially for the majority of the population who have been the least favored for many years. But this is not all. They should issue laws which benefit the majority.

[Question] Do you think the election could be a solution to the crisis in the country?

[Answer] Well, maybe it is not a solution, but it is something. I would like to have seen more participation from all political elements. I believe that in an assembly there should be different opinions [words indistinct] because it is the only way to open the eyes of those who have them closed. I think that criticism is good when it seeks to improve conditions. By this I mean that if a person acts and thinks one way and another individual points out his mistakes, it should be expected that the other party should start thinking about what is being said, either for the benefit of the people or for his own interests, otherwise in the next election the results could be different.

[Question] Colonel Castillo, to end this interview, we are sure that your family is worried about your health and stituation. We are also sure that they are listening to Radio Venceremos to find out about you. Radio Venceremos microphones are at your service so that you can say something to your family.

[Answer] I want to tell my wife and sons that I am well. I have not been mistreated. The injuries and the bullet wound I received when the helicopter crashed have been taken care of. I am practically in good health. There are some bruises which have not yet healed, but I do consider myself to be in good health. The truth is that as the helicopter was falling, and while the bullets were flying after we hit the ground, my first thoughts were for my sons. I want to ask them not to worry, and to keep on studying. I want to congratulate my son Francisco, whose birthday is today. I also want to ask my daughter to learn the song I like, because if I have the chance to return, I want her to sing it for me.

[Announcer] Many thanks, Colonel Castillo.

Honduran Troops Reported

PA271400 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 27 Jun 82

[Communique issued by the command of the Francisco Sanchez Northeastern Front, no date given -- read by announcer]

[Text] The FMLN reports to the Salvadoran and Honduran people and the international community some developments which clearly prove the interventionist policy of the Honduran Government and Army in the conflict taking place in our country.

On Friday, 25 June, our forces discovered that Honduran troops had been mobilized along the border with our country in Morazan Department. On Saturday, 26 June, our forces corroborated that the Honduran Army had begun to advance to take positions in our territory. This mobilization could be part of a plan intended to help solve the critical situation of the Salvadoran Army as result of the spectacular defeats it has suffered in Morazan Department following the recent capture of Deputy Defense Minister Col Francisco Adolfo Castillo.

This Honduran Army action can be considered part of the increased coordination with the Salvadoran Army established during the recent visit of Defense Minister Gen Jose Guillermo Garcia.

The Francisco Sanchez Northeastern Front command considers that this action is an open, brazen intervention in our country's internal problems. Far from resulting in any benefit to the Honduran Government, this dangerous action can only cause problems and unrest for the Honduran community.

There is no doubt that this policy could not be carried out without the knowledge and approval of Honduran Defense Minister Gen Gustavo Alvarez and President Roberto Suazo Cordova, whom we consider absolutely responsible for what might happen. In this respect, we are asking for the attention of democratic sectors in favor of a peace policy and genuine neutrality by the Honduran Government and Army. They should exert pressure and prevent sectors interested in worsening our conflict from carrying out their mistaken policy. Otherwise, our forces will have no alternative except to defend themselves and fight. we do not have to prove the high fighting ability of our forces. This has been proven in recent defeats inflicted on the Salvadoran Army in Morazan Department.

Nor do we consider it just that Honduran soldiers come to Salvadoran territory to shed their blood.

We reiterate that the warmongering sectors of the Honduran Army encouraged by U.S. military advisers should carefully evaluate the consequences before embarding in an interventionist adventure which, far from internationalizing peace, will certainly increase and worsen the conflict. United to fight until the final victory! Revolution or death, we will win!

Honduran Helicopters Sighted

PA271548 (Clandestine) Radio Venceremos in Spanish to El Salvador 1433 GMT 27 Jun 82

[Statement by Commander Jorge Melemdez, alias Jonas, of the Francisco Sanchez Northeastern Front, reporting for the high commad, place not given -- live relay]

[Text] Today, 27 June 1982, at 0715 10 Honduran Air Force "Huey" helicopters flew over the areas of Sabanetas, Llano el Muerto, Perquin, Joateca, [name indistinct] and north of Corinto between (Alto del Aguacate) and La Guacamaya. At approximately 0720 they flew over the Joateca area, repeating the same flight plan. After doing this they returned to Honduras, flying east from Joateca.

These 10 helicopters are evidently landing troops and supplies. There is also proof of large-scale participation by the Honduran Army against the people of El Salvador. This type of action has been noted in the areas of Colomoncagua, Cerro el Alumbrador and La Guatilla [in Honduras].

At this time when there is open participation by "Huey" helicopters and Honduran troops, we once again inform the world of our concern over the interventionist character of the Reagan administration, which is pressuring the Honduran Army, and the interventionist character of reactionary sectors of the Honduran Army.

We also reaffirm our decision to struggle, with the unbreakable intention of achieving victory. We will fight the forces we have to fight. We will destroy and recover. We are aware that the responsibility for this situation falls directly on the reactionary and fascist sectors of the Honduran Army and U.S. imperialism. Up to this time we have respected the borders as well as Honduran troops. We have only fought the Salvadoran Army. At this time, when they have violated national territory -- they have done it before but never to this extent -- we are determined to fight, and we consider troops taking part in this conflict to be our enemies.

Villalobos Statement

PA271730 (Clandestine) Radio Venceremos in Spanish to El Salvador 1448 GMT 27 Jun 82

[Speech by Commander Joaquin Villalobos, member of the FMLN General Command, to "the people of El Salvador and the world"; place not given -- live]

[Text] We wish to inform our people and the world of the following information we have received from the Francisco Sanchez Northeastern Front general command in Morazan Department:

1. On Wednesday, 23 June, Honduran Army troops began to gather in Colomoncagua, Honduras, and other areas near Morazan, El Salvador.

2. With this action a battalion was deployed to Colomoncagua and another one to Sabanetas, Honduras. At this time there were approximately 1,600 soldiers in the area.

3. On Friday, 25 June, five Salvadoran Army trucks carrying soldiers crossed the border at Amatillo en route to Honduras to the areas where the Honduran troops were concentrating.

4. On 24, 25 and 26 June, after the Salvadoran soldiers who were in Honduran territory were evacuated, Salvadoran helicopters were constantly flying troops to Colomoncagua, Honduras.

5. On Saturday, 26 June, the two Honduran battalions, accompanied by some units of the Salvadoran Army, began their advance and took up positions from Platanal, El Alumbrador hill in [name indistinct] and from Sabanetas, Honduras. Units from those battalions have penetrated up to Las Trojes canton in Salvadoran territory in the area around the town of San Fernando and are advancing through Sabanetas, having crossed into Salvadoran territory near the town of Perquin.

7. [as heard] From our intelligence services, we have learned that today, 27 June, Col Domingo Monterrosa, chief of the Atlacatl Battalion of El Salvador and Major Castillo of the Honduran Army, are scheduled to meet in the area of Las Flores, near Colomonocagua, Honduras, to coordinate the actions that the two armies will initiate in Salvadoran territory on that date.

8. Today, Sunday, 27 June, 10 Honduran Army transport helicopters have unloaded troops in the areas close to Joateca, Corinto and Sabanetas, in Salvadoran territory, thereby greatly increasing the number of Honduran troops expected to participate in this operation.

The information reported by the headquarters of the northeastern front makes clear that this greatly exceeds the limits of mere cooperation with the Salvadoran Army and the other repressive actions that have been taken against the Salvadorans and has assumed a greater level of aggression. These acts now constitute a serious, brazen intervention by another army that is violating our country's sovereignty and that has begun to attack our people directly. The intervention that is beginning now is at a much higher level and is part of the role that the present U.S. Government has assigned to the Honduran Army in Central America.

The Honduran Army has taken the first step in regionalizing the war in the Central American region. The decision to intervene is based on the difficult situation being faced by the Salvadoran Army which, despite the massing of 6,000 troops -- almost 1/3 of its total strength -- to fight against a single one of our fronts in Morazan, has not only failed to get results, but has also suffered grave and serious defeats.

The participation of the Honduran troops brings to 8,000 the number of troops involved in the Salvadoran Army. The intervention of the Honduran Army does not worry or alarm us. We expected it, and we were prepared to counter this force without halting the victorious march of our (?united people). What we do regret is that a kindred people, now governed by General Alvarez and his puppet, Suazo Cordova, will be made to suffer the consequences of a war because their leaders and Washington have ordered them to carry out that mission.

This Honduran intervention may lead to serious consequences for peace in the Central American area, because imperialism is uniting the reactionary forces throughout the region to act against our people, and we cannot remain with our arms folded.

In view of all the foregoing, it should be established for the information of our people and the international community that in view of the fact that a large-scale aggression is being committed against our people, our forces which so far had respected the troops of what was considered to be a neutral nation, have been instructed to enter into combat with the Honduran Army. We will seek to annihilate its units and inflict casualities on its forces whenever and however it may be necessary.

We will prepare to combat this aggression with every means at our disposal to repeal the invading force and the Salvadoran Army. The Honduran Army has crossed our country's border, and this gives us every right to fight in any part of its territory when dictated by the requirements of this war in which they have decided to engage by virtue of an intervention.

We call on the international community to take action regarding this first step of a massive aggression and intervention against our people. We can on the democratic forces of Honduras to make statements and take measures against this action, which will act against peace in the area and in Honduras. We call on the Honduran revolutionary movement to deepen and accelerate the armed struggle in its fatherland to defeat the military dictatorship that now governs that country and that is leading it along the path of war against the Honduran people themselves and against the kindred peoples of Central America. The victorious advance of our people will not be detained by any aggressor force. United to fight until the final victory. Revolution or death, we will win.

Guazapa Region Report

PA271925 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 27 Jun 82

[Interview with Guazapa region commander (Alejandro Montenegro); place not given -- live or recorded relay]

[Text] [Montenegro] FMLN headquarters gave the orders [to halt traffic] over Radio Venceremos. The initial response came from the people. I would estimate that there was about a 70 percent or 75 percent reduction in movement.

On the main highway and in the areas close to San Salvador there was very little traffic. Not until the afternoon did traffic begin to return to more or less its usual level.

However, on Thursday, our military units began to enforce the order. Basically, actions were staged on the northern road. On Thursday morning, some trailers and buses were burned. The people behaved very well. They cooperated with our forces by donating money or other items.

On Friday, our unity also maintained control on the main highway [words indistinct]. Therefore, in Guazapa, the main actions have been staged on the northern highway. Moreover, some form of control is being maintained there to implement the order to paralyze transportation. We have every intention of continuing these actions.

[Question] Commander, could you explain to our people the reason for the measure ordered by our headquarters?

[Answer] [Words indistinct] therefore, the sabotage of transportation should be interpreted, as it has been interpreted by all popular sectors, as part of the plan to defeat the enemy [words indistinct] through the economy, by causing problems to the dictatorship, [Passage indistinct]

At this time, we have forced the enemy to assume almost a defensive rather than an offensive position. We have forced him to protect all the highways. In this area, the enemy is obliged to watch over the streets and northern highway and he is also trying to cover the high areas close to [words indistict] of San Salvador, because he is afraid that our forces might stage another incursion or carry out military actions in that area.

Perquin Battle

PA271945 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 27 Jun 82

[Text] Since our forces withdrew from Perquin some days ago, having dealt the dictatorship a great military defeat, Garcia's 6,000 soldiers and armored carriers have now managed to advance to Perquin, after bombing and shelling empty positions or the houses in San Fernando and Perquin, sowing death among the defenseless inhabitants.

It took the dictatorship 20 days to advance 4 km. With its thousands of men, cannons and modern aircraft, the dictatorship tried for 20 days to advance, but he did not move a single centimeter forward as long as we held our firing lines.

In order to advance 4 km, it took the dictatorship 20 days and the effort cost 550 casualties, including 12 officers. The dictatorship also lost 143 rifles and 12 support weapons, including mortars and cannons. In advancing 4 km in 20 days, the dictatorship had four helicopters damaged and one destroyed. Despite its thousands of men, those 4 km cost the dictatorship 44 prisoners of war, including the man who was directing this enemy counterattack, Col Francisco Adolfo Castillo, deputy minister of defense and a member of the military high command. [Words indistinct] we saw Garcia on television. This time, he did not speak euphorically of victory. Instead, we told the press laconically: We have reached San Fernando and Perquin.

GUATEMALA

FORMER HEALTH MINISTER WOUNDED IN ATTACK

PA262000 Panama City ACAN in Spanish 1810 GMT 26 Jun 82

[Excerpt] Guatemala City, 26 Jun (ACAN-EFE) -- The Guatemalan police reported today that Roquelino Recinos, former health minister of Guatemala, was wounded this week in a terrorist attack by unidentified men.

Recinos, who served as minister during the administration of ousted Gen Romero Lucas, was wounded in the mouth when his car was attacked in the southern sector of the capital.

RIOS MONTT ADVISES FORMER SOLDIERS OF RECALL

PA282311 Guatemala City Domestic Service in Spanish 0300 GMT 28 Jun 82

[Weekly speech to the people of Guatemala by Guatemalan President Efrain Rios Montt; from the Presidential Palace -- live]

[Excerpts] A government is strong when it allows criticism, when it allows opposition, when it permits the analysis of the conduct of the state or the conduct of the economic, political and social groups that participate in national affairs. I believe that this is when the government has the greatest moral vigor, in our case more than in any other previous government. But when a campaign intended not to favor the people or the institution is discovered, the opinions are practically typical. When the government said it, it was interpreted as an attack on the fourth estate, but it was just a new confrontation of ideas, opinions. What is serious is that they attacked PRENSA LIBRE. They machinegunned it. This is something we should understand, it is something the enemies exploit. These enemies are aware of our weakness and our lack of institutional knowledge and they take advantage of the situation. In the name of the government I head I reject the statement that state forces machinegunned PRENSA LIBRE. It would be stupid on our part, and, moreover, it would mean that we have no knowledge of what should really be done in the field of discussion and dialogue.

We really want a moralizing press, a critical press. We do not fear it, we need this press to broaden our modifying and moderating authority. We don't want a press subjected to state or to private economic interests. We want an institutional press. For this we have to create institutions, and we are cleansing our institutions.

I wanted to talk to the businessmen. I agree with you, yes. If the government happens to increase taxes, you should increase prices; that if the expenses increase, someone has to pay for them, and that is the people. However, I know that you have large quantities of merchandise in the warehouses and I also know that some individuals are awaiting more critical moments so that they can raise prices when these goods are placed on sale. If we increase taxes, you may increase prices. However, we are not going to increase taxes. Consequently, you will be disagreeing with us if you increase prices.

I would like to say that we have only 2 days left for the amnesty offer to expire. Amnesty means pardon. For the sake of the unity of the family, the nation wishes to forgive, it wants to forgive. It is extending its hand. The fatherland is offering its embrace, its mother's lap for its sons to return. The homes expect the presence of their relatives. Let us take advantage of the amnesty, which means forgiveness.

The president of El Salvador will visit us on Tuesday. I would like you to permit me, in my name and yours, to extend to him a welcome and a fraternal embrace. I would also like to, with your participation, give him the reception which friends deserve. He who honors will be honored.

I wish to advise every citizen who has served in the military and is between the ages of 18 and 30, that you will be called to serve because we are counting on you, soldier, for your family to live in peace. With you, soldier, we will build the peace of Guatemala.

It has been an honor to greet you and I hope to God that we will be able to greet wach other again next Sunday. God bless you all. Good night.

CARICOM SECRETARY GENERAL URGES TRADE CHANGES

FL230020 Bridgetown CANA in English 2154 GMT 22 Jun 82

[By Lester King]

[Text] Ocho Rios, Jamaica, June 22, (CANA) -- Caribbean Community (CARICOM) Secretary General Dr Kurleigh King has said that the only real solution to regional economic problems is to change the terms of trade and the structure of the production in the arena.

"The only way to get out of the problem we are in in the Caribbean is to change the terms of trade, not only by trying to persuade the developed countries to pay us more for our traditional exports, and try to exercise more influence to get our imports at a cheaper rate, but by joining the developed countries in the game that they are playing, which means a change in the structure of our production.

"We have got to make sure we are into the right products, that we are producing them efficiently and the long term future for the prices of the products are in our favour," the Barbadian economist told a big private sector consultation here.

The CARICOM secretary general said that these factors apply even more right now because of the prevailing international economic downturn.

He said in addition to all of this, the question of financing of trade was important, because even though Caribbean factories may have the price and may be producing the right product, if they are not able to get financing for their operation, particularly working capital, their businesses are likely to contract.

Turning to the U.S.-inspired Caribbean Basin Initiative (CBI), Dr King said there was a prevailing tendency to think that the United States was the only donor in this proposed trade and aid scheme for beleaguered regional economies.

He pointed out, that the CBI is to be a joint effort between five countries -- United States, Canada, Mexico, Venezuela, and more recently Colombia.

The CARICOM secretary general said however, that Canada had not gone one step beyond where it was before the CBI was announced and it was not likely that any more assistance under the CBI will be forthcoming from Canada. The same he said applies to Mexico and Venezuela, while in the case of Colombia only lines of credit have been offered.

Dr King said that while the lines of credit were welcomed, this was not what the countries of the region were led to expect from the BCI, hence the concentration on the United States aspect of the BCI.

Washington proposes an extra 350 million dollars (U.S.) in cash aid this year, plus duty free access into the U.S. for nearly all Caribbean and Central America's exports for 12 years.

He said that the trade aid and investment package which has been announced by the United States has its precedence in the Lome Convention, but with one important difference. The Lome Convention, he explained, was negotiated, while the United States aspect of the CBI has been offered on a platter.

Dr King said that while there was no doubt that aid has flowed under the Lome Convention as promised, the countries of the CARICOM region have not taken advantage of the duty free entry access to the European markets.

In fact Dr King wondered if CARICOM did not take advantage of the duty free concessions on the European Market if they are not going to do the same with [the] U.S. offer under the CBI.

The obvious difference between the two offers was the cost of transportation, but the reason why CARICOM countries have not taken advantage of the duty free entry into the European Market was more fundamental, the regional technocrat said.

This goes back to the fact that CARICOM countries are producing traditional products and trying to sell them into traditional markets and as a consequence have not exerted themselves to the extent they need to take advantage of the existing opportunities, Dr King asserted.

Dr King said that CARICOM's lesser developed countries (LDC's) too had not taken advantage of the duty free opportunities offered by the more developed countries (MDC's) and he questioned whether there will be any difference in their handling of the U.S. concession under the CBI. He suggested one of the reasons for this was the balance of payments problems being experienced by the LDC's.

He called on CARICOM countries to view in a more sober light the opportunities offered to member states under the CBI.

Turning to the proposed bilateral investment programme under the CBI, Dr King said he had misgivings about this aspect of the programme from two fronts.

He said that under the CBI, a bilateral investment treaty is to be negotiated and signed separately between the U.S. and each one of the CARICOM territories and in fact negotiations had already started with Antigua and Barbuda.

Dr King felt each Caribbean country may well be at a disadvantage under such a system, because once favourable conditions are obtained with a smaller or weaker country, the precedent would have been set, which will put even greater pressure on the stronger countries who come to negotiate later.

He expressed the view that the discussions which have taken place between the U.S. and the Caribbean countries under the bilateral investment programme have not been in context of negotiations, but rather consultation, and there was a fear about the difference between negotiation and consultation.

It was his view that the negotiations should be done with the CARICOM countries as a bloc, and Dr King questioned in fact whether or not each member of CARICOM will be involved in the free trade exercise with the U.S.

He said it would be unfortunate if any CARICOM country was left out, as this would challenge the integrity of the CARICOM treaty.

Very strong efforts are being made therefore to ensure that all 12 members of CARICOM do in fact participate in the free trade area as proposed by Washington.

Dr King's topic at the conference here was trade in the 1980's. The conference which brought together some of the leading private sector figures, government officials and bankers is sponsored by the Caribbean Association of Industry and Commerce (CAIC) and the Private Sector Organisation of Jamaica (PSOJ).

JAMAICA

BRIEFS

ECONOMIC COOPERATION WITH NORWAY -- Kingston, Jamaica, June 28, CANA -- Norway's Minister of Industry Jens Bratz was having separate discussions today with Jamaican Prime Minister Edward Seaga and Foreign Minister Hugh Shearer. The discussions were expected to centre on bilateral economic cooperation. Mr Bratz arrived here at the weekend mainly to attend today's formal opening of a fish-processing plant, which is a joint venture between Jamaican and Norwegian private sector concerns. [Excerpt] [Bridgetown CANA in English 1733 GMT 28 Jun 82 FL]

BRAZIL

AIR FORCE COLONEL ARRESTED OVER INTERVIEW REMARKS

PY290136 Rio de Janeiro O GLOBO in Portuguese 23 Jun 82 p 5

[Excerpts] Brasilia -- Air Force Col Leuzenger Marques Lima yesterday was punished with 13 days arrest (at Galeao Air Force Base). The punishment, ordered by his immediate superior, Logistics Support Commanding General (COMGAP) Brig Gen Edilio Ramos de Figueiredo, will be further increased by a decision of the Minister of Aeronautics, Brig Gen Delio Jardim de Matos, by another 15 days.

The interview granted by the colonel, during which he criticized the government's treatment of the Brazilian Air Force yesterday, was considered offensive to his superiors and even to the president.

The minister indicated that he does not agree with the officer's remarks to the effect that "the country's defense potential has been seriously jeopardized due to a policy of neglect toward the air force, which has been worsening over the last 10 years under president-generals." Delio stated: Our development is based on Brazilian industry, on the Technological Institute of Aeronautics, on the Aerospace Techincal Center, on EMBRAER and the aeronautics industry in general.

COLOMBIA

M-19 CLAIMS CREDIT FOR KIDNAPPING SENATOR'S WIFE

PA281750 Buenos Aires LATIN in Spanish 1715 GMT 28 Jun 82

[Excerpt] Bogota, 28 Jun (LATIN-REUTER) -- The leftwing 19 April Movement (M-19) claimed credit for kidnapping the wife of a senator last week, a local radio station reported today. According to a report broadcast by the RCN network, a member of the guerrilla movement called the radio last night to announce the responsiblility of the insurgent leftwing group for kidnapping Gloria Lara de Echeverry. The guerrilla added that she would be released this week with a political statement addressed to President Julio Cesar Turbay Ayala.

POLICE CHIEF SAYS SUBVERSIVE GROUPS DISAPPEARING

PA281345 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 28 Jun 82

[Excerpt] Bogota -- Gen Francisco Naranjo Granco, director of the national police, has said that the subversive groups in Colombia are disappearing and that only redoubts remain. In remarks to the CARACOL program "Five Reporters and the Personality of the Week," the senior officer said the military forces have been able to neutralize the action of the subversives. He added that the lifting of the state of siege in the country shows that the threat posed by those groups has been disappearing.

PERU

TERRORISTS ATTACK CERRO DE PASCO JAIL, FREE 13

PY290058 Paris AFP in Spanish 2035 GMT 28 Jun 82

[Excerpt] Lima, 28 Jun (AFP) -- A group of armed terrorists this morning attacked the Cerro de Pasco jail, 317 km northeast of Lima. After killing 1 civil guard and hounding another, they released 13 of their fellow members who had been held at the jail. Justice Minister Enrique Elias announced today. The attack was attributed to the Shining Path group.

SURINAME

PAPER CLAIMS GOVERNMENT FORMING PEOPLE'S MILITIA

FL281958 Bridgetown CANA in English 1930 GMT 28 Jun 82

[Text] Paramaribo, Suriname, June 28, CANA -- The "PIPEL", a week-end paper which reflects the views of the opposition Volks (peoples) Party here, claims that Suriname's military-backed government is forming a people's militia. The paper, in an editorial, said that training of the para-military body, including classes in use of weapons, had started. The claim touched off reports that Surinamers would have to pay a military tax for upkeep of the militia. The government, while not denying or confirming the proposed establishment, said a special tax would not be introduced.

PAPER CONCERNED ABOUT CLOSE TIES WITH GRENADA

FL261745 Bridgetown CANA in English 1715 GMT 26 Jun 82

[Excerpt] Paramaribo, Suriname, June 26, CANA -- The Suriname "MIRROR" newspaper has expressed concern at the close ties which Suriname is developing with Grenada in the eastern Caribbean. "If today we are looking up to Grenada to form our professional men and women, even in the field of journalism, then we are going backward instead of forward, and we are playing hide and seek with ourselves," the paper said.

Suriname-Grenada ties developed quickly since November last year, when Suriname army chief, Colonel Bouterse headed a government delegation to Grenada to attend a meeting of Socialist International. Last month Bouterse was again in Grenada on vacation and Grenada's minister of people's mobilisation, Selwyn Strachan has only just left Suriname after a familiarisation visit. In addition Suriname has been showing a number of programmes on television featuring Grenada's prime minister, Maurice Bishop.

URUGUAY

THREE COMMUNIST PARTY MEMBERS IN CONSPIRACY TRIAL

PY290100 Paris AFP in Spanish 0117 GMT 26 Jun 82

[Text] Montevideo, 25 Jun (AFP) -- Three members of the outlawed Uruguayan Communist Party are standing trial before a military court on charges of attempting to reactivate the military organization of their party, an official communique reported here today. The police communique states that Luis Briozzo, Enrique Scoseria and Victorio Lado were following directives from Adolfo Drescher Caldas, former secretary general of the party, who had been tried some time ago. The three are facing charges of subversive association and conspiracy to violate the constitution.

VENEZUELA

HAIG RESIGNATION SURPRISE TO HERRERA CAMPINS

PA262357 Madrid EFE in Spanish 2330 GMT 26 Jun 82

[Text] Puerto Cabello, 26 Jun (EFE) -- Venezuelan President Luis Herrera Campins was surprised by the resignation of Alexander Haig, U.S. secretary of state. President Herrera Campins said that "there must be a more complex and profound reason" behind Haig's resignation, but that he had no further information. President Herrera Campins arrived in Puerto Cabello, west of Caracas, for the inauguration of new piers and other works.

President Herrera Campins also talked to newsmen about the Essequibo, a territory Venezuela claims from Guyana. He said he had received a note from the Guyanese Government to the effect that it was ready to negotiate according to the Geneva agreement.